



Community Advisory Committee Meeting

Monday, April 18, 2022

6:00pm

<https://us02web.zoom.us/j/84794506189>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)

Webinar ID: 847 9450 6189

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 906-0491 or cob@ebce.org.

If you have anything that you wish to be distributed to the Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.

C1. Welcome & Roll Call

C2. Public Comment

This item is reserved for persons wishing to address the Committee on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.

C3. Approval of Minutes from March 14, 2022

C4. CAC Chair Report (15 minutes)

- C5. Legislative Update (CAC Action Item)**
Update on recommended bill positions and EBCE's bill tracker
- C6. Renewables Procurement (CAC Action Item)**
Path to zero emission electricity by 2030
- C7. CAC Member and Staff Announcements including requests to place items on future CAC agendas**
- C8. Adjournment to Monday, May 16, 2022**



Community Advisory Committee Meeting

Draft Minutes

Monday, March 14, 2022

6:00pm

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If you have anything that you wish to be distributed to the Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.

C1. Welcome & Roll Call

Present: Members: Franch, Hernandez (7:30), Lakshman, Landry (6:07), Liu, Lutz, Pacheco, Sutter, Swaminathan, and Vice-Chair Muetzenberg,

Excused: Members: Talreja, and Chair Eldred

C2. Public Comment

This item is reserved for persons wishing to address the Committee on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.

Tom Kelly requested CAC agendaize why EBCE's emissions intensity for Bright Choice is so high, and requested an invitation to address CAC next month regarding regional greenhouse gas emissions and EBCE's bad performance in that area. Tom Kelly stated MCE reports a drop of 2.5-cents per kilowatt-hour on the PCIA, which will apply to EBCE, and asked if those savings will be passed along to customers?

Blair Beekman was concerned about the October 2020 IPR report's statistical data stating that by 2023 there would be a major rise in fossil fuel uptake, with solar and storage energy flat lining, and stated that EBCE and local community energy have to fight to ensure that does not happen.

Aleta Dupree, spoke about how to increase awareness of EBCE. Aleta Dupree asked how EBCE could strive toward 100% carbon free power and is able to maintain the value proposition, because charts show a very high percentage of unspecified power with unknown emissions content. Aleta Dupree spoke about hundreds of millions of kilowatt hours being curtailed on the California grid and how to capture that energy and put it to use.

Jessica Tovar, on behalf of East Bay Clean Power Alliance, stated that EBCE should be doing better than PG&E in terms of power content, which is why EBCPA advocated for the Local Development Business Plan to do more programs and projects that create jobs and clean energy infrastructure, and reduce consumption. Jessica Tovar requested EBCE assist EBCPA in applying for large amounts of funding that could fund micro-grids and resilience hubs.

Audrey Ichinose, East Bay Clean Power Alliance and California Alliance for Community Energy, spoke concerning a shift in the way public purpose programs, such as CARE and FERA, will be financed, shifting the cost from rate payers to state tax payers. Audrey Ichinose asked why EBCE favors the shift, what are the pluses and minuses, and would the shift have any negative impact on EBCE's CARE/FERA customers?

- C3. Approval of Minutes from:**
October 18, 2021
November 15, 2021
December 13, 2021
January 18, 2022
February 14, 2022

Member Sutter motioned to approve the minutes of October 18, 2021, as presented. Member Franch seconded the motion, which passed 6/0.

Excused: Member Hernandez, Member Talreja, and Chair Eldred.
Abstained: Member Lutz, Member Pacheco, Member Sutter.

Member Sutter motioned to approve the minutes of November 15, 2021, as presented. Member Franch seconded the motion, which passed 8/0.
Excused: Member Hernandez, Member Talreja, and Chair Eldred.
Abstained: Member Lutz.

Member Sutter motioned to approve the minutes of December 13, 2021, as presented. Member Franch seconded the motion, which passed 8/0.
Excused: Member Hernandez, Member Talreja, and Chair Eldred.
Abstained: Member Lutz.

Member Sutter motioned to approve the minutes of January 18, 2022 as amended. Member Franch seconded the motion, which passed 8/0.
Excused: Member Hernandez, Member Talreja, and Chair Eldred.
Abstained: Member Pacheco.

Member Sutter motioned to approve the minutes of February 14, 2022 as amended. Member Franch seconded the motion, which passed 6/0.
Excused: Member Hernandez, Member Talreja, and Chair Eldred.
Abstained: Member Lakshman, Member Pacheco, Member Swaminathan

C4. CAC Chair Report (15 minutes) None.

Blair Beekman clarified that the IPR report in his previous public comment was from October 2020 and that the EBCE worked on those initial statistics and had an important impact on how AB 1139 went forward and was stopped. Blair Beekman stated that the Approval of Minutes portion of the meeting should have offered public comment but did not.

C5. Local Development Update (CAC Informational Item)

Staff update on Local Development programs and activities

Jessica Tovar, on behalf of East Bay Clean Power Alliance, asked where the private capital referenced in the presentation come from, and are there any tenant protections for multi-family affordable housing to prevent displacement and gentrification? Jessica Tovar said EBCPA is excited about the pilot to address how people on a gas infrastructure can be protected from rate increases as more electrification and decarbonization occurs.

Aleta Dupree approved of the Yeti battery program, saying it could save the lives of people dependent on electricity for medical needs, and looked to EBCE to lead the way in discovering the many ways these batteries could make

homes more resilient and safe. Aleta Dupree stated the induction cooktop program is also very good and discussed to how to encourage chefs and restaurant owners to adopt induction and other forms of electricity.

Audrey Ichinose, East Bay Clean Power Alliance and California Alliance for Community Energy, hoped the local development programs discussion would continue over several sessions and with numerous bodies. Audrey Ichinose asked if the goal is for people in DACs and other low-income areas to own electric vehicles? Audrey Ichinose stated that the Community Innovation Grants could help black churches that provide hot meals get onto induction cooking.

The Committee Discussed:

- How venture capital coming into renewable energy intersects with EBCE.
- Implementation of the sales force platform.
- Targeted programs for frontline communities.
- EE Pilot program.
- Induction cooktop program.
- Call for Community Innovation Grants.
- Will EBCE engage with the tranche funds that the governor signed into the budget for the environmental justice resiliency hubs?
- EBCE becoming active in helping drivers purchase or lease EVs.
- High demand for DC fast chargers and ways to get more funding or programs to offer more incentives.
- Potential presentation on med- and heavy-goods transport and inviting community-based organizations that are impacted.
- Getting input on EBCE projects and plans from communities and working with them on strategic plans and goals.
- High interest in community resiliency hubs with micro-grids.
- Funding for EV charging projects should not come out of the limited LVBP funds.
- CEC funding for pilot projects through Community Economic Resiliency Funds.
- How to implement projects to build up disadvantaged communities without increasing gentrification.
- EBCE's investment in solar power and battery storage through its Resilient Home Program that will add storage to new solar projects and existing solar systems.

Member Swaminathan left the meeting during Committee Discussion.

C6. CAC Member and Staff Announcements including requests to place items on future CAC agendas

Member Landry requested items mentioned in previous minutes but not brought forward, a presentation from Tom Kelly and discussion on Bright Choice emissions, and discussion of stipends be agendaized for a future meeting.

Member Pacheco requested a report on the amount of union man-hours that have been created by of EBCE's works to date.

Member Franch requested more information on the medium- and heavy-duty goods program.

C8. Adjournment to Monday, April 18, 2022



**CAC Item C5
Staff Report Item 15**

TO: East Bay Community Energy Board of Directors
FROM: Melissa Brandt, Vice President of Public Policy & Deputy General Counsel
SUBJECT: Approval of Legislative Positions (Action Item)
DATE: April 20, 2022

Recommendation

Receive an update on EBCE's Legislative Program and take a "support" position on Assembly Bill ("AB") 1960 (Villapudua), AB 2070 (Bauer-Kahan), AB 2667 (Friedman), AB 2765 (Santiago), and Senate Bill ("SB") 1112 (Becker), and an "oppose" position on SB 1393 (Archuleta).

Background and Discussion

In July 2018 the EBCE Board approved a Legislative Program which outlined three general legislative principles and five more specific public policy positions, as well as guidance for legislative policy coordination. The Legislative Program, last updated in 2021, has again been updated with a few clarifications and edits to names/addresses, however the principles and positions are the same. EBCE's updated Legislative Program is provided for reference as an attachment to this item.

At the February 16, 2022 EBCE Board Meeting, the Board approved taking a "support" position on AB 1814 (Grayson). AB 1814 has recently been withdrawn by the author and will not be moving forward due to general lack of support from members on the Assembly Utilities and Energy Committee.

Recommended EBCE Bill Positions:

- **SUPPORT:** AB 1960 (Villapudua), would attempt to provide more regional diversity when selecting California Public Utilities Commission ("CPUC") commissioners, by encouraging, not requiring, the Senate and the Governor to consider permanent residents of northern, southern and the central valley regions of the state. A regionally diverse CPUC is more likely to be attuned to

the various concerns of EBCE's diverse communities. Villapudua is a member of EBCE's legislative delegation.

- SUPPORT: AB 2070 (Bauer-Kahan) would require electrical corporations to notify fire protection districts at least 24 hours before initiating deenergization events. Receiving advance notice will allow our fire protection districts to adequately prepare for the deenergization event and enable notice to other local government entities including cities and EBCE, to help provide needed services to mitigate some of the ill effects of the deenergization event on the residents of the affected areas. Bauer-Kahan is a member of EBCE's legislative delegation.
- SUPPORT: AB 2667 (Friedman) would require the California Energy Commission ("CEC") to establish in the state Treasury and administer an Integrated Distributed Energy Resources Fund to incentivize eligible resources to support statewide consumer adoption of clean distributed energy resources ("DERs"). Resources eligible for incentives under the fund would include customer demand management, managed charging of electric vehicles, clean backup power, and other DERs that would achieve greenhouse gas emissions reductions. The CEC would be required to establish a system to equitably award incentives. Furthermore, the CEC would be required to establish a process to allow a load-serving entity ("LSE") such as EBCE to apply for incentives on behalf of a customer(s) as part of that LSE's customer program to reduce its resource adequacy ("RA") obligations. EBCE has current programs underway such as the Resilient Home program to manage our load and reduce our RA obligations, and under this bill we would be able to apply for incentives from the fund, which could lower the costs of our load management programs and enable us to undertake more load management in the future.
- SUPPORT: AB 2765 (Santiago) would establish a taxpayer-funded Public Utilities Public Purpose Programs Fund, and would require the CPUC to use the fund to pay for the Family Electric Rate Assistance (FERA) program, programs currently funded through an electrical corporation's public purpose program rate component including the California Alternate Rates for Energy (CARE) program, and other programs determined by the CPUC to provide public benefits. If the fund does not have sufficient moneys for those purposes, the bill would authorize the CPUC to permit electrical corporations to recover the costs of those programs from ratepayers, as they do today through a charge on electric service, which is collected through customer delivery rates. This bill would lower the electric delivery rates for all customers including EBCE customers, helping both with customer bill affordability and service disconnection rates, and supporting the growth of electrification by keeping electricity costs competitive.

- SUPPORT: SB 1112 (Becker) would encourage the creation of Tariffed On-Bill (“TOB”) investment programs to make low-cost capital widely available for climate-beneficial building upgrades so that upfront costs or lack of access to credit do not get in the way of upgrading buildings. The bill would address a technical fix that might otherwise impede the creation of TOB programs - ensuring proper notification for renters and home buyers - and further direct the CEC to explore how the state and LSEs can leverage existing and future federal funds and existing state programs to make low-cost financing available to TOB investment programs. EBCE is exploring how to use TOB financing to increase energy efficiency and building electrification in our jurisdiction. EBCE customers would also benefit from any federal or state funds identified and made available to support low-cost financing for TOB investment.
- OPPOSE: SB 1393 (Archuleta) would require local governments to obtain approval from the CEC for local requirements that mandate the replacement of fossil fuel appliances with electric appliances in existing buildings. This bill would prohibit the CEC from approving a local government’s retrofit requirement if the CEC finds that the requirement, or a portion of the requirement, is not technically feasible, is not cost effective, disproportionately impacts low and median income consumers, adversely impacts a skilled and trained workforce, or increases costs for ratepayers of a local publicly owned electric utility or electrical corporation. This bill would discourage local governments from adopting ordinances aimed at electrifying communities, and could restrict the authority of EBCE’s cities to support reach codes including efforts to mandate certain retrofits.

Fiscal Impact

AB 2667 may result in additional funding for load management through the CEC.

AB 2765 may result in lower customer utility delivery charges.

SB 1112 may result in additional funding for lowering TOB financing costs.

Attachments:

- A. April 20, 2022 Legislative Update
- B. EBCE Legislative Program
- C. Author Fact Sheets

APRIL 20, 2022

Legislative Update



Legislative Highlights

Attachment Staff Report Item 15A

- Update from Weideman Group on the 2022 Legislative Year
- Update on AB 1814
- New Recommended Bill Positions: AB 1960, AB 2070, AB 2667, AB 2765, SB 1112, SB 1393

Key Deadlines for the 2022 Legislative Year

Attachment Staff Report Item 15A

- 1/3: Legislature reconvened
- 1/10: Governor submitted budget
- 1/31: Deadline to move 2-year bills out of 1st house
- 2/18: Bill introduction deadline
- 4/29: Policy cmtes to move fiscal bills to fiscal cmtes (1st house)
- 5/6: Policy cmtes to move nonfiscal bills to floor (1st house)
- 5/20: Fiscal cmtes must move bills to floor (1st house)
- 5/27: Last day for bills to be passed out of 1st house
- 6/15: Budget bill must be passed
- 7/1: Policy cmtes to meet and report bills (2nd house)
- 8/12: Fiscal cmtes to move bills to floor (2nd house)
- 8/31: Last day for each house to pass bills
- 9/30: Last day for Governor to sign/veto bills

Legislature – State of Play

Attachment Staff Report Item 15A

- Democratic super majorities
- Redistricting not expected to change dynamics
- High levels of turnover now and expected
- Election year, but Governor in strong position
- Budget surpluses driving agenda
- Energy likely to be a policy theme in Senate, Assembly

2022 Legislative Themes

Attachment Staff Report Item 15A

- Clean energy – near-term, long-term
- Climate change and impacts
 - Wildfire, extreme heat, corporate disclosures
- Zero emission vehicles, infrastructure
- Green hydrogen
- Carbon capture and sequestration
- Jobs and labor
- Equity

Gov's Proposed Budget: \$22B in New Climate Funding

Attachment Staff Report Item 15A

- \$6.1B – Zero emission vehicles (ZEVs), esp. “big ZEVs”
- \$9.1B – Transit and other transportation projects
- \$2B – Clean energy package
 - Long duration storage (\$380 M), green hydrogen (\$100 M), industrial decarbonization (\$210 M), food processing facilities (\$85 M), offshore wind (\$45 M), Orville dam pumped hydro (\$240 M), equitable building decarbonization (\$962 M)
- \$1B – Sustainable communities/housing
- \$1B – Energy Innovation Headquarters and green energy tax credits
- \$1.2B – Wildfire and forest resilience
- \$750M – Drought resilience and response
- \$2.5B – Nature-based solutions, climate resilience, climate smart ag, circular economy

Recommended Bill Positions

Attachment Staff Report Item 15A

Bill #	Author	Description	Sponsor	Status	Recommended EBCE Position
AB 1960	Villapudua	Encourages the Senate and the Governor to consider permanent residents of northern, southern and the central valley regions of the state to provide more regional diversity among CPUC commissioners.		Asm Consent Calendar	SUPPORT
AB 2070	Bauer-Kahan	Requires an electrical corporation to notify the fire protection district 24+ hours before deenergization or else face penalties.		Asm U&E Cmte 4/20	SUPPORT
AB 2667	Friedman	Establishes and requires CEC to administer state IDER Fund to incentivize eligible resources to support consumer adoption of clean DERs, creates a system to equitably award incentives, and establishes a process to allow an LSE to apply for incentives on behalf of a customer as part of that LSE's program to reduce its RA obligations.	NRG / EDF	Asm U&E Cmte 4/6	SUPPORT
AB 2765	Santiago	Creates a new fund to cover the costs of CPUC Public Purpose Programs including energy efficiency, conservation, CARE, and FERA, instead of continuing to rely on customer delivery rates.		Asm U&E Cmte 4/20	SUPPORT
SB 1112	Becker	Requires energy suppliers (including CCAs) offering decarb programs to record a decarb charge notice, then notice of full cost recovery, then notice of charge removal with the project's county.		Sen EUC Cmte	SUPPORT
SB 1393	Archuleta	Requires local jurisdictions to apply for CEC approval before mandating that retrofits to a bldg. must upgrade fossil appliances to electric.		Sen Gov & F Cmte 4/21	OPPOSE

Bill Tracker - Assembly

Attachment Staff Report Item 15A

Bill #	Author	Description	Sponsor	Status	EBCE Position
AB 1814	Grayson	Authorizes CCAs to file applications for PUC programs and investments to accelerate widespread transportation electrification.	CalCCA	Author withdrawn	SUPPORT
AB 2061	Ting	Requires data disclosure on EV charging station availability for stations using public or ratepayer money and requires the CEC to assess reliability and equitable access issues.		Asm Transp Cmte 3/28	
AB 2587	E.Garcia	Requires the CPUC to open a proceeding related to procurement of firm zero-carbon resources, based on the findings of the CEC's report to the Legislature on CA policy that customers are served by 100% renewable and zero-carbon resources by 2045.		Asm U&E Cmte 4/6	
AB 2700	McCarty	Requires IOUs and POUs to ensure that their distribution systems are upgraded to support the state's anticipated level of EV charging; requires the CPUC to develop an expedited process to ensure that IOUs can meet the requirements to upgrade, and to direct IOUs to expedite interconnection; requires CARB to share fleet data to inform electrical grid planning and requires CEC to forecast distribution needs for DERs.		Asm U&E Cmte	
AB 2703	Muratsuchi	Establishes reliability standards for ZEV refueling/charging stations.		Asm Transp Cmte 4/18	

Bill Tracker - Senate Attachment Staff Report Item 15A

Bill #	Author	Description	Sponsor	Status	EBCE Position
SB 45	Portantino	Requires Dept of Res Recycling and Recovery to analyze progress in achieving organic waste reduction goals and assist local jurisdictions with funding to comply.		Asm pending cmte referral	
SB 833	Dodd	Community Energy Resiliency Act of 2022: requires the CEC to develop and implement a grant program for local govts to develop community energy resilience plans and expedite permit review of DERs.	The Climate Center	Sen Approps suspense file	
SB 881	Min	Gives CPUC authority to monitor compliance with LSE's IRP GHG emission reductions and penalties/CPUC-ordered procurement for non-compliance.	UCS	Sen Approps Cmte 4/18	
SB 1158	Becker	Changes the Power Source Disclosure rules to require utilities and CCAs to report comparisons of their energy and capacity purchases with their electricity demand on an hourly basis including the associated GHG emissions.		Sen EUC Cmte 4/18	
SB 1287	Bradford	Requires the CPUC to update the financial security requirements for ESPs and CCAs to include costs for no less than 12 months of incremental procurement incurred by the provider of last resort, upon the customers' involuntary return.		Sen EUC Cmte	
SB 1482	Allen	Requires mandatory building standards for installation of EV charging infrastructure for parking spaces in new multifamily units.	Acterra	Sen Transp Cmte 4/26	

Next Steps

Attachment Staff Report Item 15A

- Review and analyze new amendments
- Monitor bills on our watch list; determine when EBCE should formally take a position
- Send position letters for bills once EBCE formally takes a position
- Monitor Governor's Budget request, which includes \$6.1B over 5 years for Zero Emission Vehicles (ZEV)
- Engage with CalCCA on legislative efforts

Legislative Program

State and Federal Policy Priorities



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Introduction

The East Bay Community Energy Legislative Program outlines the legislative priorities and stances of East Bay Community Energy (“EBCE”) with the intent to inform customers, representatives, and policymakers of EBCE’s stances on the myriad of public policies that intersect with EBCE’s priorities, programs, and services. These priorities are applicable to legislation, statewide referenda, grant funding opportunities, and local ballot initiatives.

EBCE has three major legislative priorities: Accelerating Decarbonization, Promoting Local Development, and Stabilizing Community Choice. EBCE support of legislation will be contingent upon that legislation adhering to these priorities as well as EBCE’s priorities.

Moreover, EBCE supports any and all policies that will preserve or enhance the ability of EBCE to promote these priorities at the local level.

This document provides direction to EBCE’s legislative advocates in Sacramento. Additionally, this document serves as the foundation for any EBCE Board action regarding Federal or State legislation or funding opportunity. Staff may draft letters, direct our legislative advocates, or speak on behalf of EBCE regarding the legislative priorities this document outlines.

Any correspondence signifying EBCE’s support or opposition of a given bill must be approved by the EBCE Board of Directors, the Board’s Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters.

Any questions regarding this Legislative Program can be directed to Melissa Brandt, Vice President of Public Policy and Deputy General Counsel, at 510-570-5110 or mbrandt@ebce.org.

Sincerely,
Nick Chaset

Chief Executive Officer, EBCE



EBCE Board of Directors

Alameda County

Supervisor Richard Valle

Albany

Council Member Aaron Tiedmann

Berkeley

Vice Mayor Kate Harrison

Dublin

Council Member Shawn Kumagai

Emeryville

Mayor Dianne Martinez, Chair

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Hayward

Council Member Elisa Marquez

Livermore

Vice Mayor Patricia Munro

Newark

Council Member Mike Hannon

Oakland

Council Member Dan Kalb

Piedmont

Council Member Conna McCarthy

Pleasanton

Council Member Kathy Narum

San Leandro

Council Member Corina Lopez, Vice Chair

Tracy

Council Member Dan Arriola

Union City

Council Member Jaime Patino

Community Advisory Committee (non-voting)

Anne Olivia Eldred, Chair



Contact Information

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Legislative Advocates

State Legislative Advocate

Weideman Group

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General Legislative Principles

EBCE has three general legislative principles. These priorities serve as the foundation for all actions EBCE will take, including the lobbying for policies that promote those same guiding priorities.

Public policy encompasses a myriad of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact EBCE revenues, programs, and/or administrative discretion and control. EBCE will support policies that accelerate decarbonization, promote local development, stabilize community choice, or any combination thereof. If a given policy does not meet these criteria, EBCE will oppose, support with amendments, or in some cases take no stance on that policy or legislation.

The General Legislative Principles for EBCE are:

Accelerating Decarbonization

- Support the creation or expansion of federal, state, and local policies and programs that enable EBCE to contribute to the State's efforts to reduce greenhouse gas emissions.
- Oppose any legislation, policies, programs, referenda, unfunded mandates and budgets that would have an adverse impact on EBCE's ability to advance decarbonization through its procurement, programs, projects, and services.

Promoting Local Development

- Support any legislation, policy, referenda, and budgets that enhance community choice energy providers' ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.
- Oppose any legislation, policy, referenda, and budgets that limit or undermine EBCE's ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.

Stabilizing Community Choice

- Support any legislation, policies, referenda, and budgets that maintain or improve the stability of community choice energy providers by ensuring regulatory structure is equitable and enables CCE to meet its mission and goals.
- Oppose any legislation, policies, referenda, and budgets that undermine or circumvent community choice energy and impede the ability of the agency to achieve its mission and goals or its value proposition.

EBCE Public Policy Positions

The General Legislative Priorities help identify which public policy positions EBCE will take.

The list of policy positions below is by no means exhaustive. In addition to the general legislative priorities, EBCE takes the following more specific public policy positions:

1.1 Nonbypassable Charges

- A. Oppose legislation that restricts or limits EBCE's ability to procure its own energy products to meet state policy goals.
- B. Oppose legislation that increases or is likely to lead to an increase in nonbypassable charges.
- C. Support legislation that promotes a level playing field between community choice aggregators and other market participants.
- D. Support legislation that enhances the flexibility of community choice energy providers to support statewide procurement policy and develop and expand programs, local options, and rate design to support EBCE's community and customers.

1.2 Disadvantaged Communities

- A. Support legislation and initiatives that boost funding for new energy projects that support disadvantaged communities and low-income customers within EBCE's service territory.
- B. Support legislation and initiatives that increase access and funding for energy-related programs serving disadvantaged communities.
- C. Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within disadvantaged communities.
- D. Oppose legislation and initiatives that have the potential to disproportionately and negatively impact EBCE's disadvantaged communities and/or low-income customers.

1.3 Environmental Sustainability

- A. Support legislation and initiatives that increase funding for the creation of sustainable and stable energy supply infrastructure.
- B. Support legislation and initiatives that encourage the conservation of energy resources as well as the development of dynamic load-shifting capabilities.
- C. Support legislation and funding for renewable and advanced energy technology that increase efficient consumption.
- D. Support legislation and funding for pilot energy and resource efficiency programs.
- E. Support legislation and initiatives with the goal of reducing and mitigating the effects of climate change and building local resiliency.



1.4 Finance

- A. Support legislation that enhances the financial standing of community choice aggregators and their ability to receive a positive credit rating.
- B. Oppose legislation that reduces or removes the tax-exempt status of municipal bonds.
- C. Oppose any legislation that would divert community choice energy revenues to the State or other governmental entities.

1.5 Educational, Neighborhood and Social Services

- A. Support legislation that aids or helps to fund EBCE to provide energy support services, education, and opportunities for reducing energy costs to people who are low-income, seniors, veterans, and/or people with disabilities.
- B. Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, and transportation electrification programs, and energy literacy services.

Legislative Program Coordination

Legislation can be brought to the attention of EBCE through a variety of channels:

- State Legislative Advocates
- Elected Representatives
- CalCCA
- EBCE Board Members
- EBCE Staff
- EBCE Community Advisory Committee
- EBCE Customers and Community Members
- Other Governmental Associations

All legislative requests for support or opposition will be directed toward EBCE's Public Policy department. EBCE staff will then review the legislation in coordination with any relevant departments to analyze whether or not the legislation aligns with EBCE's general legislative priorities. Staff will then monitor and track the legislation, providing updates when necessary.

Concurrent with this evaluation, EBCE's Public Policy department will recommend a position and course of action. There are six main levels of action, which may be taken independently or in combination, but all of which are coordinated by the Vice President of Public Policy or their designee:

- 1. Direction to lobbyists to advocate in support, support with changes, or opposition to legislation**
 - Pursuant to direction from the EBCE Board of Directors, the Board's Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters, EBCE staff will notify lobbyists of EBCE's stance on legislation and direct them to take appropriate action with legislators. EBCE may remain neutral on a given piece of legislation.
- 2. EBCE correspondence with relevant legislators**
 - In conjunction with providing direction to lobbyists once EBCE has determined its stance on legislation, EBCE staff will send a support or opposition letter to the appropriate legislators.
- 3. EBCE Board-approved resolution**
 - EBCE staff will draft a staff report and resolution for consideration by the full EBCE Board of Directors. Approved resolutions will be forwarded along with a letter signed by the Chief Executive Officer or his/her designee to the appropriate legislators.
- 4. EBCE Board outreach**
 - EBCE staff will draft talking points and other relevant information for individual Board Members to personally contact appropriate legislators to advocate on behalf of EBCE.
- 5. Travel to Sacramento or Washington, D.C**
 - EBCE staff and/or Board Members may decide to advocate in person. Staff will coordinate with the appropriate lobbyists to organize meetings or attendance at other lobbying events.
- 6. Draft or Sponsor Specific Legislation**
 - EBCE staff and legislative advocates will work with EBCE's legislative representatives to articulate EBCE's stance on a policy and to ensure said stance is codified in statute.



AB 1960

CA Public Utilities Reform (Diversity of Thought)

SUMMARY

Assembly Bill 1960 will advance a more geographically diverse perspective at the California Public Utilities Commission (CPUC) to guarantee that proper energy infrastructure investments meet the needs of every community across the state.

BACKGROUND

The decisions the CPUC makes has an impact on every Californian. Contrary to other regulatory commissions, the CPUC is the only one that lacks the requirement for the Governor to appoint commissioners based on specific background experience or regional perspective leading to a true lack of diversity of thought.

An estimated 68% of commissioners spanning almost two decades have not been representative of regions like the Central Valley or any other underrepresented communities. While three of the commissioners currently reside in Sacramento, Sacramento's municipal electric utility is not overseen by the CPUC. This means that without a variety of regional diverse thoughts, the commission's decisions often only reflect a one-size fits all view leading to higher energy costs.

Similarly, the CPUC's actions often do not align with legislative and gubernatorial direction. Often, the CPUC has either been slow to act on or acted contrary to legislative requirements intended by the State Legislature. These decisions have far-reaching consequences for the majority of Californians and without the perspective of different regions with varied climate zones, the Commission remains blind to the needs and impacts of millions of ratepayers in hotter climate zones that are often the state's most vulnerable populations.

To illustrate, AB 2672 (Perea; Chapter 616, Statutes of 2014) was created with the motive to make gas extensions in San Joaquin Valley more affordable. After years of consideration, the CPUC interpreted "other alternatives" and "deemed it appropriate by the CPUC" to take away choice from propane consumers to switch to natural gas energy and instead promoted electrical service which resulted in higher electric bills and increased greenhouse gas (GHG) emissions in disenfranchised communities.

PROBLEM

The California Public Utilities Commission (CPUC) is a constitutionally created entity that promulgates rules and regulates transportation, communications, and utility industries, but in the last 17 years, there has not been a single Commissioner appointed from the San Joaquin or Central Valley, a rural town, or low-income or disadvantaged community.

We are living in a time of significant innovation and transition in the energy industry as the state urgently seeks to mitigate the impact of climate change. In this context, now more than ever, it is imperative that the CPUC reflect every Californian so that a deeper awareness is central as they set energy policy.

SOLUTION

Similar to current background and regional requirements for the California Energy Commission, State Water Resources Control Board, Board Of Equalization and California Air Resources Board, AB 1960 will increase perspectives among the CPUC commissioners by requiring future Governor



AB 1960

CA Public Utilities Reform (Diversity of Thought)

Appointees to reside in each of the following areas: Northern California, Central Valley, and Southern California. By doing so, California can achieve better regional representation, provide diversity of thought, a more expansive knowledge of utility and energy experiences, and ultimately make better informed decisions about the different energy needs of every community across the state.

SUPPORT

Sempra Energy Utilities
San Diego Gas and Electric (SDG&E)
Southern California Gas (SoCal Gas)

STAFF CONTACT

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REBECCA BAUER-KAHAN
Assemblymember, District 16

AB 2070 – Utility Notification

Summary

AB 2070 will require all electrical utilities to notify local fire districts at least 24 hours before conducting mitigation or planned burns in a high fire risk area.

Background

2020 was California's worst fire season in modern history¹. By the end of the year, over 10,000 wildfires had burned more than 4.2 million acres of land in California. Additionally, an exceeding 4 percent of all land in the state was burned by wildfires². Climate change has made our fire season much less predictable, and has contributed to both the intensity and duration of wildfires that our state faces. Over 2.7 million people in California live in a Fire Hazard Severity Zone. The Camp Fire of 2018, killed 85 people and was the most damaging fire in our state's history as well as the most expensive natural disaster in the world of that year. It is clear that wildfires and other related natural disasters are a way of life in California and only growing in intensity.

Utility companies manage vegetation and repair infrastructure in order to help prevent future fires. However, much of this work is done in high fire areas next to and around businesses and family homes, and the work risks causing fires itself. A common method of fire prevention is a "controlled burn". This is when a team will set a fire intentionally, in order to make that area less susceptible to wildfires in the future.

Problem

Currently, controlled burns and dangerous work is being conducted in areas with a designated high fire risk **without** the collaboration of the local fire district to protect the local area.

Solution

Utilities must provide clear communication and collaboration with fire districts locally. Cities of San Ramon and Orinda have passed local ordinances which require electrical utilities to notify the fire district during maintenance in a fire risk zone. This bill would take that model statewide for high-risk fire zones.

What this bill does

AB 2070 requires that electrical utilities notify local fire districts 24 hours before any fire safety or mitigation services within a high fire risk area.

To prevent fires, collaboration and coordination of resources is paramount, and this is a commonsense practical measure to ensure that occurs.

Support:

San Ramon Valley Fire Protection District

Contact

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Senior Legislative Aide
estefani.avila@asm.ca.gov
916-319-2016

¹ <https://www.theguardian.com/us-news/2020/dec/30/california-wildfires-north-complex-record>

² <https://www.fire.ca.gov/incidents/2020/#:~:text=As%20of%20the%20end%20of,gigafire%22%20as%20the%20area%20burned>



ASSEMBLY MEMBER

Laura Friedman

DISTRICT 43

AB 2667 – Integrated Distributed Energy Resources Fund

Summary

AB 2667 would create an Integrated Distributed Energy Resources incentive program at the California Energy Commission to support statewide customer adoption of clean distributed energy resources with a technology-neutral approach to further the State's collective goals on reliability, resiliency, decarbonization, and equity. The bill would allow all customers to deploy more clean distributed energy resources options to meet the customer's needs and better align customer value with collective policy goals.

Background

Distributed Energy Resources (DER) refer to a class of decentralized customer energy products, services, and technologies. DERs can provide a superior quality of energy service when compared to the electric grid. DERs include customer demand management, small-scale renewable generation, energy storage, smart charging of electric vehicles, clean backup power, and even mobile power stations to meet emergency management needs.

California supports the deployment of clean distributed energy resources. Customers buy these resources for a variety of reasons, including to have greater electric reliability and to achieve their clean energy objectives, the resources are cost-effective over the life of the asset, but incentives are needed to overcome the upfront purchasing costs. Access and availability of incentive support for customer adoption can vary across different parts of the state, depending on the retail provider, the need of the customer segment, and technology-based eligibility guidelines.

Certain distributed generation and storage technologies are designed to be interconnected to the grid and can feed power back onto the grid. Still others are designed to support solely on-site needs or provide backup power as needed. With a wider variety of options, customers and their retail providers can customize different solutions, including product content, reliability, and other services.

As the state moves to electrify more of its economy, including its zero emission vehicles, integrating DER deployment to meet the increased electric vehicle charging needs will enhance our ability to reduce greenhouse gas emissions and mobile-source pollutants in environmentally impacted communities.

Furthermore, as California faces an increased frequency of extreme weather events, wildfire-triggered outages, and global geopolitical instability with cyber intrusion risks of critical sectors, it is time innovate the adoption of clean DERs across all customer segments.

AB 2667 (as amended on March 15, 2022):

- Creates an Integrated Distributed Energy incentive program at California Energy Commission with a set of prioritized functional attributes to support reliability, decarbonization, resiliency, and equity goals.
- Allows retail providers to directly apply for funding on behalf of customers and use DER resources in an integrative manner to support both customer and grid needs.

Support

Environmental Defense Fund
Mainspring Energy
NRG Energy

Contact

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916.319.2043
jim.metropulos@asm.ca.gov



Bill Summary

[AB 2765](#) would sunset the Public Purpose Program (PPP) surcharge on utility customers and continue the programs with funding from the State's General Fund to continue helping low-income consumers and help meet California's climate goals.

Existing Law

Establishes energy efficiency, cost saving, and rate assistance programs to help reduce energy costs for consumers (Public Utilities Code Section 381, 399.4, 739.1, 739.3; Public Resources Code Section 25710).

Background

Electric rates continue to increase dramatically in California. Inflation is hitting goods across the board, and the economic impacts of the pandemic and the Russian invasion of Ukraine are causing financial challenges for many Californians, especially at the gas pump and on their utility bills.

California's PPP includes cost-effective energy efficiency, conservation, and rate assistance programs to help meet the state's climate goals and subsidize energy costs for low-income consumers. Electric customers in investor-owned utility (IOU) territories pay for these state-mandated public benefits programs through a surcharge on their utility bill.

Although the PPP is meant to provide discounts on utility bills for low-income households, these same low-income beneficiaries effectively have to pay into the programs through a monthly surcharge on their utility bill. For example, the California Alternate Rates for Energy (CARE) program provides a monthly discount of up to 35% on electricity for low-income folks and public assistance recipients. A recipient with an electric utility bill of \$121 would receive about \$42 in CARE assistance, a total savings of 35% on their utility bill. However, that same ratepayer forgoes 3% of their 35% CARE savings by paying a utility surcharge into the PPP. This surcharge takes away savings from the population the CARE program is meant to serve.

Need for AB 2765

In California, high electric bills are hitting low-income households hard. Their utility bills are saturated with various add-on costs that don't actually reflect the cost of supplying electricity. These add-ons include low-income support programs, subsidies for clean energy and EV charging stations, climate change adaptation costs, and more.

One of the best ways to help the working poor is by reducing their utility bills and taking some of these costs out of electricity prices to make them more closely reflect their true social cost.

Since the PPP benefits accrue to everyone in California, it is more appropriate for all taxpayers to fund these programs, not just a subset of electrical and gas customers. Furthermore, if all taxpayers paid for the PPP, then electric customers would pay lower utility bills, especially low-income households. For example, as of January 1, 2022, if public purpose program costs were removed from San Diego Gas & Electric's electric rates, system average rates would be 6% lower. Removing just the low-income portion of the PPP costs would lower system average rates by 3.5%.

To ensure that the cost of the PPP is equitably distributed, AB 2765 would sunset the PPP surcharge on utility customers and continue the programs with funding from the State's General Fund, thus reducing the cost of utility bills for low-income utility customers experiencing rising energy costs and equitably distributing the costs of achieving California's climate goals.

Support

Coalition of California Utility Employees
California State Association of Electrical Workers
San Diego Gas & Electric Company

Opposition

The Utility Reform Network (Unless Amended)

For More Information

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Office of Assembly Member Santiago
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**SB 1112 – Tariffed On-Bill Investment Enablement****IN BRIEF**

SB 1112 encourages the creation of Tariffed On-Bill (TOB) investment programs as a way to make low-cost capital for climate-beneficial building upgrades widely available so that upfront costs or lack of access to credit do not get in the way of improving our buildings and advancing our climate goals. It does this by addressing a technical fix that might impede the creation of TOB programs (ensuring proper notification for renters and home buyers) and by directing the CEC to explore how the state and its utilities can leverage existing and future federal funds and existing state programs to make low-cost financing available to TOB investment programs.

THE PROBLEM

According to a report by the Building Decarbonization Coalition, approximately 6 million households, 4 million of which are low-income, lack ready access to private capital for upgrading their homes with climate-beneficial appliances.¹

While financial incentives are helpful in lowering upfront investment costs, customers still need access to capital to fund the balance, and they can often be disqualified due to high debt-to-income ratios, poor credit, low home equity, or renter status. Utility TOB investment is a proven, scalable model that is currently being used to accelerate customer adoption of energy and water efficiency measures in utility programs operating across the county. This model allows ratepayers to make upgrades in their homes, not through a loan, but through utility investment, for which cost recovery is tied to the utility meter, according to terms set forth in a utility tariff. The tariff charge remains attached to the meter at the improved home, regardless of who occupies the property, until utility cost recovery is complete. This investment model thus enables the sponsoring utility to offer nearly universal access to capital to its customers.

Currently, utilities in California do not offer TOB investment programs to customers, but there are proceedings underway to establish creative solutions to financing clean energy investments in California households. The Public Utility Commission has begun an open proceeding (R 20-08-022), related to Clean Energy Finance, which may allow for customers to have access to TOB investment for climate-beneficial building upgrades. This proceeding will likely lead to establishing a program that benefits utility and CCA customers by providing clear guidance on decarbonization installations and authority to

attach payback to the meter and allowing payback to occur over a longer period of time than is currently offered in the private market.

If the proceeding concludes expeditiously, California could deploy TOB programs to access billions of dollars from the federal government for decarbonization projects throughout the state.

However, for the PUC to be successful, there needs to be authority in the law to address the issue of ensuring proper notification to successor customers about bill charges when there is a change in home ownership or tenancy. Specifically, decarbonization upgrades must be added to the list of authorized home improvements that may be recorded on the title documentation for a residence by the county recorder. The same requirement exists for a similar TOB program that was enacted by SB 564 (McGuire, 2017) to fund water conservation improvements.

THE SOLUTION

SB 1112 will address the issue of notifying successor customers of TOB investment by requiring that utilities and CCAs give a notice of a decarbonization charge, associated with a decarbonization upgrade, to their county recorder within 10 days of funding the upgrade. This bill also requires that when a property is not owner-occupied, the property owner must disclose the terms of the decarbonization charge to new tenants as part of the information provided prior to leasing or licensing the property.

SB 1112 also directs the CEC to identify federal funding and existing state programs that could be used to provide low-cost financing via TOB programs, such as loan guarantees offered by the U.S. Department of Energy under the Infrastructure Investment and Jobs Act. It also directs the CEC to provide technical assistance to utilities to apply for available low-cost financing.

¹https://www.buildingdecarb.org/uploads/3/0/7/3/30734489/bdc_whitepaper_final_small.pdf

SUPPORT

350 Sacramento

Acterra

Benisol LLC

Carbon Free Palo Alto

Carbon Free Silicon Valley

CEDMC

Foundation for Climate Restoration

Menlo Spark

Project Green Home

Silicon Valley Clean Energy

Silicon Valley Youth Climate Action Team

Sonoma Clean Power

FOR MORE INFORMATION

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CAC Item C6
Staff Report Item 17

TO: East Bay Community Energy Board of Directors

FROM: Jim Dorrance, Power Resources Manager

SUBJECT: Path to Zero Emission Electricity, 2030 (Action Item)

DATE: April 20, 2022

Recommendation

Adopt the schedule with annual power procurement goals for renewable and Carbon-free electricity purchases as a path to reach zero emission electricity by 2030.

- The schedule for adoption would be for the Bright Choice plan's renewable and Carbon-free annual percentages that are included in Table 1
- Total renewable and Carbon-free annual percentages for all plans are largely dictated by the jurisdictional enrolment in either the Bright Choice or Renewable 100 plans

Background and Discussion

Background

At the December 16th, 2020, Board meeting, the Board adopted a clean energy goal by Resolution setting a goal for all electricity within EBCE's portfolio to have zero net emissions by 2030. This target was supported by EBCE's 2020 Integrated Resource Plan (IRP) analysis and the associated cost modeling that was performed. This ambitious goal set EBCE's zero emission timeline 15 year's ahead of California's (CA) goal of state-wide zero emission electricity by 2045, as mandated in Senate Bill 100 (SB100).

At the February 26th, 2022, Board meeting, a schedule with annual procurement goals was presented as an informational item to describe staff's approach to meeting the Board adopted clean energy goal. The purpose of this staff report is to present the schedule with annual goals for renewable and other Carbon-free electricity purchases for Bright Choice as a path to achieve zero emission electricity by 2030 for adoption by the Board. Additionally, this report will describe in more detail EBCE's current renewable resource contracts and provide details on the process for determining future procurement to reach the goals set forth herein.

Path to Zero Emissions in 2030

The schedule described in this report details a path to reach the zero emissions target with each year's renewable and Carbon-free percentages as steps to reach that goal. Staff will continue to work to meet or exceed the annual goals of this schedule but understands that there is yearly uncertainty with the generation from EBCE's contracted long-term renewable sources and the dynamic availability of generation from large hydroelectric facilities.

The schedule includes a year-over-year reduction in emissions for Bright Choice and EBCE's entire portfolio. EBCE has used multiple systems for the purpose of calculating and reporting emissions from electricity. In 2018-2019 EBCE used The Climate Registry (TCR); starting in 2020 EBCE reported emissions through the Power Source Disclosure Report (PSDR) and on the Power Content Label (PCL), using the associated regulations for calculating and reporting emissions. The PSDR regulations, which EBCE is now required to use, include reporting emissions associated with power content from any emitting generation source (Unspecified Power, Natural Gas, etc.) and emissions for purchases of Portfolio Content Category 2 (PCC2) RECs when the associated energy is not specific by source.

EBCE seeks to establish a formal annual schedule of power content through 2030 to provide some level of certainty on annual procurement targets and to use in the modeling as part of the 2022 IRP analysis. Of course, this schedule will be further refined in future years based on market intel from ongoing renewable energy solicitations that EBCE issues, progress of contracted PPAs, and future IRP analysis and brought forward to the board for review.

Existing Portfolio of Resources

In presenting the schedule towards zero emission electricity by 2030 we can examine the current long-term resources that are under contract for EBCE customers and the additional renewable electricity that will be required to reach the 2030 clean energy goal. The below chart represents contracted renewable and large hydroelectric electricity as a percent of total electricity sales with the yellow line showing the Carbon-free percent from the schedule.

Chart 1: Contracted Renewable and Carbon-free as a Percent of Total Sales

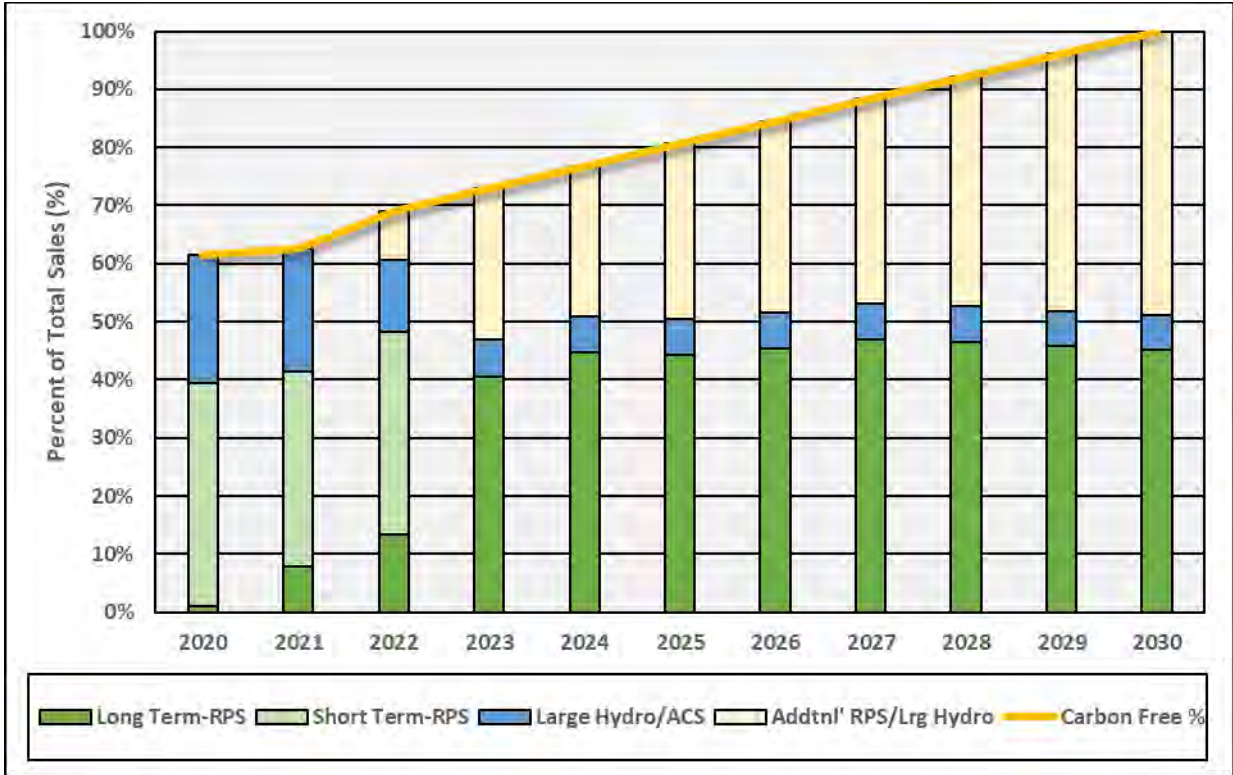


Chart 1 shows how EBCE’s contracted long-term renewables are being used to meet the near-term renewable goals and the open position in need of contracting across the planning horizon to reach the annual goals of EBCE’s emission reduction schedule. The details and the makeup of the renewable and other Carbon-free resources that will be contracted to meet the annual renewable goals will be described and analyzed during the 2022 IRP which will be submitted later in 2022 and is discussed in further detail below.

Schedule for Annual Renewable and Carbon-free Electricity

In asking the Board to adopt the schedule for annual renewable and Carbon-free electricity purchases as a path to zero emission electricity by 2030, staff is asking the Board to specifically approve the annual targets for the Bright Choice plan which are included below as Table 1. The total renewable and Carbon-free annual percentages for all plans, which are discussed later, are largely influenced by customer enrollment in either of the Bright Choice or the Renewable 100 plan. This means that the default enrolment at the jurisdictional level will impact the total renewable and Carbon-free percentages for a given year. Included below is the proposed schedule of annual targets for Bright Choice (Table 1) and the proposed and resulting schedules for all the plans combined (Table 2 and Chart 2) based on the current planned jurisdictional enrollments into the Bright Choice and Renewable 100 plans. The action staff is requesting from the Board is the adoption of the schedule for Bright Choice and the associated annual renewable and Carbon-free electricity purchases.

Table 1, below, presents the proposed schedule for Bright Choice through 2030 for renewable and other Carbon-free electricity as a percent of total sales. Additionally, the table includes estimates for the Bright Choice emission factor for each year showing an annual reduction in plan-wide emissions with a zero emissions portfolio achieved in 2030. Please note that these

numbers are not additive; the percent of Carbon-free is inclusive of purchased renewable electricity.

Table 1: Schedule, Bright Choice: Renewable, Carbon-free Percentages by Year and Emissions Factor for All Plans

Year	Bright Choice				CA-RPS %
	Renewable %	Carbon Free %	TCR*-Emission Factor	PSDR-Emission Factor	Renewable %
2018	41%	87%	101	n/a	29%
2019	60%	85%	135	n/a	31%
2020	40%	54%	n/a	580	33%
2021	41%	55%	n/a	577	36%
2022	45%	63%	n/a	566	39%
2023	49%	66%	n/a	521	41%
2024	52%	71%	n/a	455	44%
2025	56%	76%	n/a	387	47%
2026	60%	81%	n/a	315	49%
2027	64%	85%	n/a	241	52%
2028	67%	90%	n/a	163	55%
2029	71%	95%	n/a	83	57%
2030	75%	100%	n/a	-	60%

* The Climate Registry (TCR) was used for emissions calculation and reporting for 2018-2019, beginning in 2020, EBCE no longer uses the TCR for emissions reporting and currently only uses the Power Source Disclosure (PSDR) methodology for emissions calculating and reporting as required by regulations.

Table 1 above represents renewable and Carbon-free content targets through 2030 for Bright Choice. The totals for 2018 through 2020 represent actual sales and electricity purchases; 2021 represents forecast data as we continue to finalize the Bright Choice content from last year. The above table includes estimates for emission factors in future years calculated using the PSDR method and the CA RPS percentages for comparison. The above schedule includes annual increases in the renewable and Carbon-free electricity content, resulting in annual reductions in the emission factor for Bright Choice. The schedule demonstrates that renewable energy procured for Bright Choice customers will exceed the CA RPS requirements by at least five percent each year and increases to 15 percent over the CA RPS requirements by 2030 when Bright Choice will achieve zero emissions. Not shown in the above table but reflected in the estimates for emission factors is an annual reduction in the purchase of PCC2 RECs for the Bright Choice plan; by 2030 all renewable electricity for Bright Choice customers will come from PCC1 RECs.

In EBCE’s portfolio, Carbon-free energy comes from either renewable or from large hydroelectric generating resources. Hydroelectric generation’s availability is based on weather and market conditions. EBCE is one of many load serving entities in the western United States that values this resource; our ability to purchase large hydroelectric generation at competitive prices is not guaranteed in any given year. As a result, there may be situations where a greater amount of the Carbon-free generation showed in the schedule will come from renewable sources instead of large hydroelectric, increasing the renewable percent for a given year but having the same percentage of Carbon-free electricity in EBCE’s portfolio. Table 2 has the schedule for electricity purchases from all the plans combined for each year through 2030 for renewable and other Carbon-free electricity as a percent of total sales.

Table 2: Schedule, All Plans: Renewable, Carbon-free Percentages by Year and Emissions Factor for All Plans

Year	All Plans				CA-RPS %
	Renewable %	Carbon Free %	TCR*-Emission Factor	PSDR-Emission Factor	Renewable %
2018	42%	88%	82	n/a	29%
2019	65%	88%	113	n/a	31%
2020	39%	61%	n/a	488	33%
2021	41%	63%	n/a	483	36%
2022	56%	69%	n/a	450	39%
2023	59%	73%	n/a	417	41%
2024	62%	77%	n/a	364	44%
2025	65%	81%	n/a	309	47%
2026	68%	85%	n/a	252	49%
2027	71%	88%	n/a	193	52%
2028	74%	92%	n/a	131	55%
2029	77%	96%	n/a	67	57%
2030	80%	100%	n/a	-	60%

* The Climate Registry (TCR) was used for emissions calculation and reporting for 2018-2019, beginning in 2020 EBCE no longer used the TCR for emissions reporting and currently only uses the Power Source Disclosure (PSDR) methodology for emissions calculating and reporting as required by the regulations

Chart 2: Renewable, Carbon-free Percentages, RPS percent, Emissions Factor for All Plans through 2030

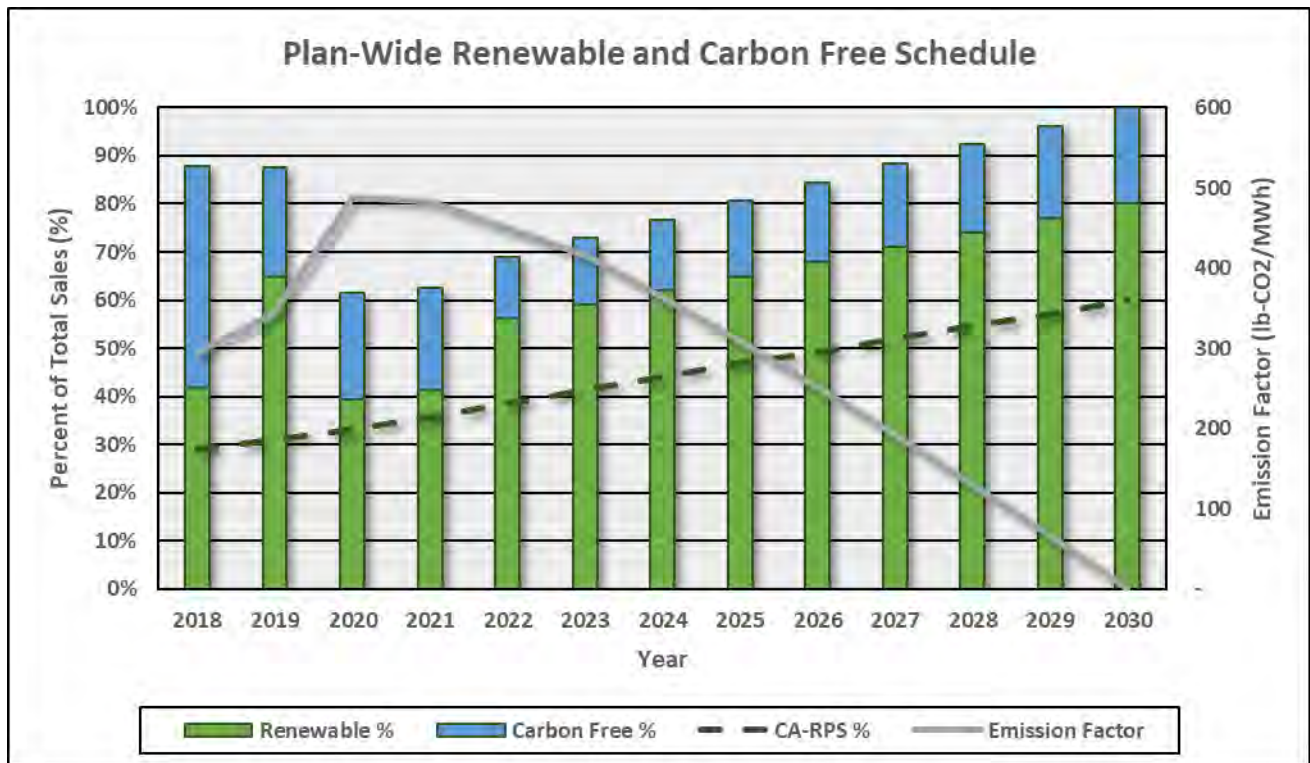


Table 2 and Chart 2 reflect the schedules for all of EBCE’s customer plans combined. These annual totals are largely influenced by the renewable and Carbon-free content of Bright Choice, and the plan enrollment in both Bright Choice and Renewable 100. There are two primary factors influencing the plan-wide emissions. The largest source of emissions in EBCE’s portfolio is from unspecified power in Bright Choice customer’s power content. Unspecified electricity is not purchased for Bright Choice customers for the purpose of achieving a power content target, it is reflective of the total Bright Choice sales net of carbon-free content. The second factor influencing emissions is renewable content from PCC2 RECs for Bright Choice customers. The PSDR emissions reporting regulations require EBCE to report emissions for these renewable purchases when the source of the energy is not specified. Bright Choice is EBCE’s largest customer plan and currently has the largest impact on emissions, since Renewable 100 by its nature is always both emission-free and 100 percent renewable.

The proposed schedules incorporate EBCE’s existing contracted PPAs and a projection of additional short and long-term renewable contracts that EBCE anticipates executing based on the modeling and cost analysis from the IRP cycles. The renewables procurement is informed by our existing IRP analysis and aims to take a disciplined approach towards cost averaging our procurement portfolio through multiple market cycles and realize technology developments. Furthermore, regulatory changes are dynamic, and a number of compliance requirements are not yet established related to Resource Adequacy, storage integration, import energy, among other areas. Therefore, it is important to allow our contract structures and terms to address the evolving regulatory landscape and compliance requirements.

In presenting the above schedule to reach zero emission electricity in 2030, EBCE would be moving away from using PG&E’s renewable content forecast as the basis for the annual procurement floor for Bright Choice. The below table reviews Bright Choice and plan-wide content compared to PG&E’s base product. Included are the annual renewable and Carbon-free electricity as reported on the PCL. In addition to PG&E’s renewable electricity, the table shows PG&E’s Carbon-free electricity from both renewable and large hydro sources combined. This is the equivalent for comparison purposes to the Carbon-free content in EBCE’s plans since EBCE does not have nuclear electricity as content from specific sources and only has transient amounts from purchased Asset Controlling Supplier electricity (ACS). Additionally, the Carbon-free electricity from PG&E’s nuclear sources is displayed. The percentages from PG&E are displayed in this manner to create an accurate comparison for the Carbon-free content from EBCE and PG&E.

Table 3: Comparison of EBCE’s Bright Choice, and Plan-Wide Renewable and Carbon-Free Content Compared to the content PG&E base plan

Year	All Plans		Bright Choice		PG&E-Base Plan			CA-RPS %
	Renewable %	Carbon Free %	Renewable %	Carbon Free %	Renewable %	Renewable + Lrg. Hydro, %	Nuclear	Renewable %
2018	42%	88%	41%*	87%	39%	52%	34%	29%
2019	65%	88%	60%*	85%	29%	56%	44%	31%
2020	39%	61%	40%*	54%	31%	41%	43%	33%
2021	41%	63%	41%*	55%				36%
2022	56%	69%	45%	63%				39%
2023	59%	73%	49%	66%				41%
2024	62%	77%	52%	71%				44%
2025	65%	81%	56%	76%				47%
2026	68%	85%	60%	81%				49%
2027	71%	88%	64%	85%				52%
2028	74%	92%	67%	90%				55%
2029	77%	96%	71%	95%				57%
2030	80%	100%	75%	100%				60%

** Board Adopted targets for Bright Choice renewable percentage are 38% for 2018-2019, 39.5% for 2020 and 41.2% for 2021*

Long-Term Planning, Portfolio Optimization, and the Integrated Resource Planning analysis (IRP)

The schedule presented in this report demonstrates annual targets to achieve the Board adopted clean energy goal of zero emission electricity by 2030. Identifying the specific resources and contract tenors needed to achieve EBCE's renewable and other Carbon-free purchases for the future years of the schedule is an ongoing process. Staff will evaluate generation resources, contract tenors and the costs and risks associated with them through the 2022 IRP, which is currently active, future biennial IRP filings, through portfolio optimization using our current portfolio of resources and solicitations for new long-term renewable generation.

EBCE conducted solicitations for long-term renewable generating resources during both the 2018 Request for Offers (RFO) and the 2020 RPS and Storage RFO. These solicitations added over 800 MW of renewable energy and over 450 MW of energy storage as long-term hedges to meet EBCE's customer needs. When the currently contracted projects are all online, they will supply renewable power to meet approximately 25 percent of forecasted annual load, with changes based on annual generation variability and project related risks.

In optimizing EBCE's portfolio of resources, staff evaluates the cost, location, and shape of generation from our contracted resources alongside regulatory requirements, how new projects can fit in with our load shape and their associated costs. New renewable and other Carbon-free projects are typically evaluated as part of formal solicitations where EBCE request offers from a number of developers for a variety of project types, and then performs a forward-looking analysis to forecast each resource's cost and potential value within our existing portfolio. EBCE is currently working on the analysis of projects from our third long-term project RFO that was released in February.

In addition to staff's cycle of RFOs, EBCE performs a biennial IRP analysis; the most recent IRP was completed and presented to the Board in 2020. The IRP is a compliance requirement but also a tool for resource planning that includes robust modeling and analysis for an optimized resource portfolio over time to reach scenario-based emissions goals. This includes cost and generation modeling that simulate hourly performance and evaluates a range of the potential incremental costs to achieve emissions goals. The modeling and the associated findings of the 2020 IRP provided the analysis that was presented to the Board's and aided the decision to adopt and choose the clean energy goal of zero emission electricity in 2030. The purpose of this report is to provide the schedule for reaching that goal based on the renewable and Carbon-Free portfolio for Bright Choice. The IRP Analysis will typically incorporate a California Public Utilities Commission (CPUC) required conforming analysis. In 2020, this analysis reflected 46MMT and 38MMT emissions by 2030 scenarios in order to comply with the CPUC requirements. Following the IRP submission to the CPUC, EBCE completed additional optional analysis to reflect 30MMT and 0 MMT emissions scenarios by 2030, which was the basis of the Dec 2020 Board approval of the goal for zero emissions by 2030.

The IRP analysis, which is currently underway for 2022, is the next biannual modeling requirement as required by the IRP, where EBCE staff and a third-party consultant model different emissions and resource scenarios with our existing contracted generation resources

over a ten-year planning horizon to develop detailed plans to reach EBCE defined goals while evaluating benefits and risks of those plans under different energy market conditions. This includes the resource type and forecasts for associated costs and annual emissions and evaluates EBCE capacity and regulatory obligations required in California. The IRP analysis, which will be presented to the Board for informational purposes prior to seeking Board approval later this year will fill in the details related to forecasted costs to achieve the emissions schedule provided in this report and will inform the Board on risks to meet EBCE's emissions goals by 2030.

Staff is presenting the schedule for Bright Choice within this report to the Board as a path to zero emissions in 2030 as was adopted by the Board in 2020. At the same time EBCE will continue to add long-term renewable projects to our portfolio with a focus on projects within our jurisdictions and target annual reductions in plan-wide emissions. The schedule outlined here includes year over increases in renewable electricity for Bright Choice, a continuation of Bright Choice's renewable percentage exceeding the CA RPS and plan-wide, year over year reduction in emissions resulting in zero emission electricity in 2030.

Fiscal Impact

The fiscal impacts of this item will be evaluated as part of the 2022 IRP process although the above schedule would include annual increases in renewable and Carbon-free electricity purchased and will likely result in increased costs for purchased electricity if adopted.

Attachments

- A. Presentation

APRIL 20TH, 2022

Path to Zero Emissions in 2030



Recommendation: Adopt the Bright Choice schedule for renewable and Carbon-free electricity purchases linked to the Board adopted clean energy goal of zero emission electricity by 2030.

- Background
 - 2020 IRP
 - Relevant Board Items and Actions
- Long-term Renewable Purchased Power
- Schedule for the Path to Zero emission Electricity
 - Bright Choice and All Plans
 - Next Steps



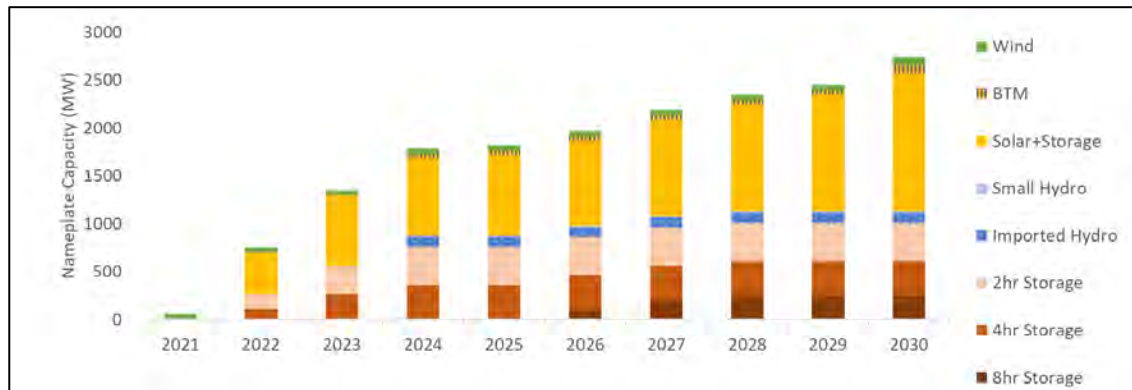
The Integrated Resource Planning (IRP): Is modeled analysis that is conducted every other year and looks 10-years forward to evaluate long-term compliance with CPUC policies and programs for electrical supply, reliability and emissions reductions

- Requires submission of resource planning for distinct electricity portfolios that achieve a proportional share of two electric sector GHG targets: **46 MMT and 36 MMT of emissions by 2030, the required targets for the 2020 filing**
- Modeling was conducted for supplemental emissions targets for 2030

Key Evaluation Metrics	Scenario 1: EBCE 46 MMT i.e. 1.22 MMT	Scenario 2: EBCE 38 MMT i.e. 0.98 MMT	Scenario 3: EBCE 30 MMT i.e. 0.73 MMT	Scenario 4: EBCE net 0 MMT
Carbon Free (by 2030)	64%	72%	80%	100%
Affordability (2030 cost in 2020\$)	\$608 MM (2020\$)	+3% (+\$17 MM)	+6% (+\$34 MM)	+14% (+\$85 MM)
Resource Mix (2030) (incl. New build vs existing)	1.2 GW new RE PPAs (includes 100 MW BTM S+S) 1.5 GW/ 6 GWh new energy storage 100 MW existing NW hydro			
Risk Mgmt: Short-term vs Long-term Contracts	62% long-term in 2030 (~50% by 2025; ~55% avg. 2021-2030), remaining short-term			
Reliability	~70% of RA need met by long-term portfolio			

Background - 2020 IRP

- Analysis includes robust modeling for an optimized build-out of resources over time that can reach the 2030 emissions goals
- Includes renewable resources currently under contract for EBCE customers and forecasted resources aligned with EBCE's procurement and risk management strategies
- Performs cost modeling to simulate hourly performance evaluate the range of incremental costs to achieve the defined emissions goals



Background - Board Items, Clean Energy Goal

Attachment Staff Report Item 17A

June-July 2020: An IRP update was presented to the Board in June, in July the required GHG targets and modeling assumptions were presented for the two 2030 emissions goals and the Board approved

Additional, and more aggressive emissions reductions targets for 2030 would be modeled with results presented later in the year

December 2020 Board Meeting: In addition to the analysis required by the IRP, staff conducted additional emissions reduction scenario analysis

Provided analysis of Resource Mix, Risk, Reliability, and Costs for four different 2030 emissions scenarios

Presented scenarios for discussion and, requesting adoption of a clean energy goal for 2030, supported by the 2020 IRP analysis

Background - Clean Energy Goal, 2030

Attachment Staff Report Item 17A

December 2020 Board Meeting, continued: The Board elected to adopt a resolution approving Clean Energy Goal supported by the 2020 IRP that would set a goal of zero emissions electricity in 2030 (Scenario 4)

The goal was established to reduce emissions from electricity for EBCE customers and guide EBCE's future procurement decisions

February 2021 Board Meeting: Based on the adopted 2030 goal, a schedule with annual targets for reaching zero emissions by 2030 were presented as informational

These included annual goals for both renewable and other Carbon-free electricity based on the renewable and Carbon-free content of Bright Choice

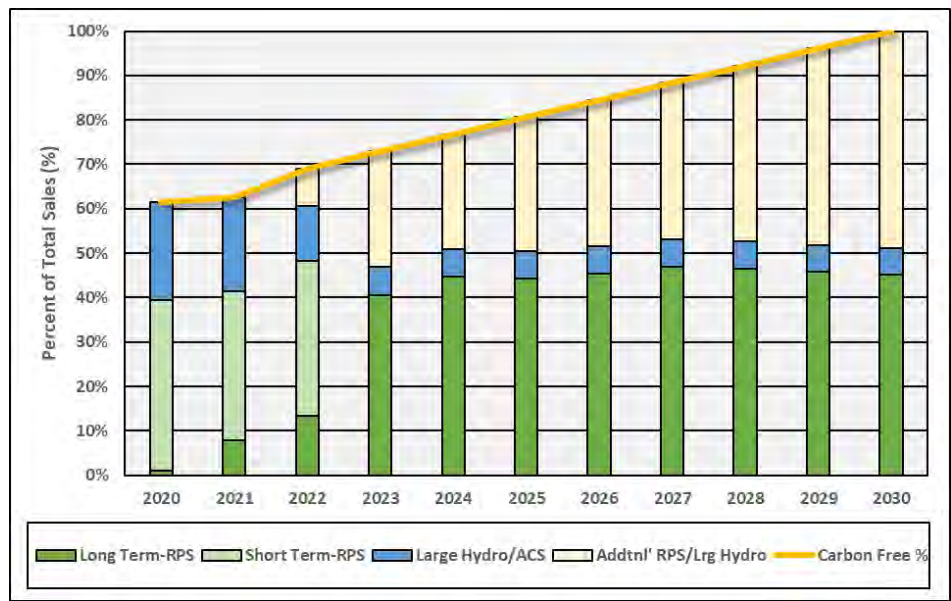
- The 2030 Clean Energy Goal was adopted in 2020 and supported by IRP analysis and modeling
- Staff is asking the Board to adopt the annual schedule to reach this goal
- The specific ask is to adopt the schedule for Bright Choice through 2030
- The schedule contains annual goals for renewable and Carbon-free purchases as a path to zero emission electricity by 2030
- The following is a discussion of currently contracted long-term renewable resources and how these will contribute to the annual targets for the schedule to a zero-emission portfolio by 2030

Discussion – Long-Term Renewable Procurement

- Three long-term renewable RFOs: 2018, 2020, and current one in 2022
- Contracted 800 MW of renewable energy and 450 MW of battery storage
- Contract Term length from 10-20 years
- Contracted generation from these is roughly 25% of annual sales when online
- First contracted project was online in 2020; currently there are 3 renewable projects and 1 stand-alone storage project online
- The rest of the contracted renewable projects have CODs starting in 2022 and through 2026

Discussion - Long-Term Renewable Procurement

- The chart below is renewables plus large hydro as a percent of sales through 2030
- Shows long- and short-term renewables, Large Hydro contracted to date with the additional Carbon-free or renewable purchases need to reach annual goals



Path to Zero Emissions electricity, 2030

Schedule for **Bright Choice** including renewable and Carbon-free as percent, forecasted emissions and CA RPS annual percent

Year	Bright Choice				CA-RPS %
	Renewable %	Carbon Free %	TCR*-Emission Factor	PSDR-Emission Factor	Renewable %
2018	41%	87%	101	<i>n/a</i>	29%
2019	60%	85%	135	<i>n/a</i>	31%
2020	40%	54%	<i>n/a</i>	580	33%
2021	41%	55%	<i>n/a</i>	577	36%
2022	45%	63%	<i>n/a</i>	566	39%
2023	49%	66%	<i>n/a</i>	521	41%
2024	52%	71%	<i>n/a</i>	455	44%
2025	56%	76%	<i>n/a</i>	387	47%
2026	60%	81%	<i>n/a</i>	315	49%
2027	64%	85%	<i>n/a</i>	241	52%
2028	67%	90%	<i>n/a</i>	163	55%
2029	71%	95%	<i>n/a</i>	83	57%
2030	75%	100%	<i>n/a</i>	-	60%

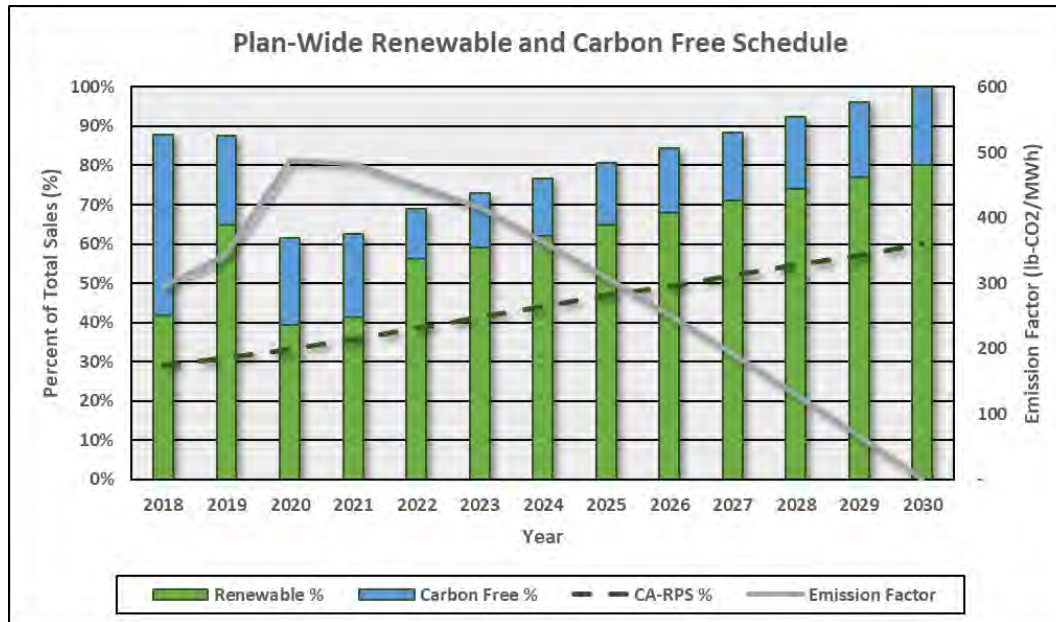
Path to Zero Emissions electricity, 2030

Schedule for **All Plans** including renewable and Carbon-free as percent, forecasted emissions and CA RPS annual percent

Year	All Plans				CA-RPS %
	Renewable %	Carbon Free %	TCR*-Emission Factor	PSDR-Emission Factor	Renewable %
2018	42%	88%	82	<i>n/a</i>	29%
2019	65%	88%	113	<i>n/a</i>	31%
2020	39%	61%	<i>n/a</i>	488	33%
2021	41%	63%	<i>n/a</i>	483	36%
2022	56%	69%	<i>n/a</i>	450	39%
2023	59%	73%	<i>n/a</i>	417	41%
2024	62%	77%	<i>n/a</i>	364	44%
2025	65%	81%	<i>n/a</i>	309	47%
2026	68%	85%	<i>n/a</i>	252	49%
2027	71%	88%	<i>n/a</i>	193	52%
2028	74%	92%	<i>n/a</i>	131	55%
2029	77%	96%	<i>n/a</i>	67	57%
2030	80%	100%	<i>n/a</i>	-	60%

Path to Zero Emissions electricity, 2030

Chart for **All Plans** including renewable and Carbon-free as percent, forecasted emissions and CA RPS annual percent



2022 IRP and Portfolio Optimization

- **2022 IRP:** Currently on-going
 - Progress from IRP analysis will be presented to the Board this year
 - Will evaluate and model current profile over 10-year planning horizon
 - Assists in the development of detailed plans for resource planning to reach 2030 goal and beyond
- **Portfolio Optimization**
 - Cost, location and shape of contracted generation is modeled to evaluate new projects and how they fit with our load
 - Forecasts projects value within our existing portfolio of resources and regulatory requirements

Next Steps

- **2022 Long Term RPS and Storage RFO**
 - Third long-term project RFO
 - Currently evaluating project submissions from developers
 - Will short list and report to Board as informational
- **Future power purchasing**
 - Continue to add long-term renewable projects through RFOs with a focus on projects within EBCE jurisdictions
 - Balance remaining open position with renewable and other Carbon-free market purchases
 - Emphasis on projects located in EBCE service territory

Thank You!



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